



**CALIFORNIA STATE
PUBLIC WORKS BOARD**

ARNOLD SCHWARZENEGGER, GOVERNOR

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STATE PUBLIC WORKS BOARD
February 16, 2010

MINUTES

PRESENT:

Ms. Cynthia Bryant, Chief Deputy Director, Department of Finance
Mr. Steven Amos, Chief Deputy Director, Department of General Services

STAFF PRESENT:

Theresa Gunn, Assistant Administrative Secretary
Stephan Benson, Budget Analyst
Madelynn McClain, Budget Analyst
Carlos Ochoa, Budget Analyst
Deborah Cregger, Staff Counsel
Aurelia Bethea, Executive Secretary

CALL TO ORDER AND ROLL CALL:

Ms. Cynthia Bryant, Chairperson of the SPWB and Chief Deputy Director of the Department of Finance, called the meeting to order at 10:06 a.m. Ms. Theresa Gunn, Assistant Administrative Secretary for the Board, called the roll. A quorum was established.

The first order of business was approval and adoption of the Minutes from January 11, 2010.

A motion was made by Mr. Amos and Second by Ms. Bryant to approve and adopt the minutes from the January 11, 2010 meeting. The minutes were approved by a 2-0 vote.

BOND ITEMS:

There were no bond items for consideration this month.

CONSENT ITEMS:

Ms. Gunn reported the Consent Calendar consisted of Items #1 through #14. However, after the release of the 10-Day notice the Joint Legislative Budget Committee (JLBC) requested that the Board defer action on Consent Items #7, #8, and #9. The JLBC did not receive the appropriate material from the Administrative Office of the Courts in order to allow the JLBC a full 30 day review period of the scope, cost, and schedule of these three new court projects. Therefore, staff pulled Items # 7, #8, and #9 from the consent calendar to be presented to the Board at a later date. Also, there was new information for Consent Item #14 and it was discussed and acted upon separately. Therefore, the Consent Calendar consisted of Items #1-#6 and #10-#13. In summary these were the Items:

- 4 requests for acceptance of real property through a transfer of title [Items 1 through 4]
- 2 requests to authorize site selection [Items 5 and 6]
- 4 request to establish scope, cost, and schedule [Items 10, 11, and 12]
- 1 request to recognize a scope change [Item 13]

There were three legislative notification letters associated with the Consent Calendar for Items #10, #11, #12, and #13. The legislative review period expired without any adverse comments.

In summary: Staff recommended approval of the **Consent Calendar** consisting of Consent Items #1 through #6 and #10 through #13.

There were no comments or questions from the Board or the public.

A motion was made by Mr. Amos and Second by Ms. Bryant approve Consent Items #1 through #6 and #10 through #13. The Consent Items were approved by a 2-0 vote.

Consent Item #14 was for the Department of Corrections and Rehabilitation (CDCR), California Men's Colony, 50-bed Mental Health Crisis Bed Facility, in San Luis Obispo County— Approval of preliminary plans and recognize revised project costs. Ms. Gunn reported separate action was required on this item because staff became aware of a legal challenge to the California Environmental Quality Act review completed for this project that is pending resolution. Ms. Gunn also stated that it has been the Board's practice not to approve preliminary plans for a project prior to the completion of the state's environmental review process. A legal challenge has been filed and is not yet resolved. Staff normally would not recommend the Board approve the preliminary plans for this project. However, due to this project being included in the Mental Health Bed Plan approved by the *Coleman* Court and the Court ordering the CDCR to complete and occupy the 50-bed project as soon as possible, staff recommended approval of this item for this reason. While there is some minor risk with proceeding pending the outcome of the litigation, staff believed the risk of being required to revise or modify the design is minor based on CDCR input and does not outweigh the benefit of proceeding with the project to address the court order.

Staff recommended approval of **preliminary plans and recognized revised project costs**.

There were no comments or questions from the Board or the public.

A motion was made by Mr. Amos and Second by Ms. Bryant approve Consent Items # 14. Consent Item # 14 was approved by a 2-0 vote.

ACTION ITEMS

There were three Action Items associated with this month's calendar. For discussion purposes the three action items were addressed together, but the Board took action on each item separately.

Action Item #1 was for the Judicial Council of California, Administrative Office of the Courts, New San Andreas Courthouse—Consider recognizing a scope change

Action Item #2 was for Judicial Council of California, Administrative Office of the Courts, New Hollister Courthouse—Consider recognizing a scope change and approving preliminary plans

Action Item #3 was for Judicial Council of California, Administrative Office of the Courts, New Susanville Courthouse—Consider recognizing a scope change

The requested scope changes to the three projects would increase the square footage for each project, ranging from 11.7 to 15.5 percent. The increase in space was attributable to essential court related support functions such as: restrooms, building support, and mechanical and electrical support spaces. The requested scope changes were presented to the Board as Action items because these requests were out of normal Board process. When developing the detailed scope description for these projects, the Administrative Office of the Courts (AOC) utilized a space estimate that works well for larger court facilities but resulted in overall space deficiencies for the smaller court facilities (under five courtrooms). The AOC identified the cumulative space deficiency during development of the schematic designs and was able to work with the Construction Manager at Risk to keep costs at the estimated levels through a series of cost reconciliation and value engineering exercises.

While the revised design of these buildings was not authorized by the Department of Finance or recognized by the Board, the AOC had already incorporated the increased square footage in the completed design work for the three projects. To avoid these oversights in the future, the AOC has implemented the following procedural changes:

- Project Managers (PM) have been notified that any increase/decrease in project square footage over the approved amount must be considered a change of scope.
- Additional training is occurring to remind staff of the importance of updating all information on the monthly progress reports, provided to Finance.
- Design and Construction Project Managers will be meeting with PMs regularly and are required to confirm documents submitted to the Board for approvals to ensure accuracy.
- Increased participation and communication between Business and Planning and Project Managers to assist in addressing potential impacts to scope and costs.

A 20-day notification letter was sent to the JLBC staff on January 21, 2010, and staff received no adverse comments.

Staff recommended the Board adopt staff recommendation for all three items as follows Recognize a scope change for Action Item #1; Recognize a scope change and approve preliminary plans for Action Item #2; and Recognize a scope change for Action Item #3. The Chair, Ms. Bryant asked if Boards staff was satisfied that the AOCs procedural changes will resolve the issues in the future, that they will come before the Board before making this type of decision. Ms. Madelynn McClain responded replied yes, if the AOC follows the steps and procedures outlined, this sort of issue will not occur. There were no further comments or questions from the Board or the public.

A motion was made by Mr. Amos and Second by Ms. Bryant to approve Action Item #1. Action Item #1 was approved by a 2-0 vote.

A motion was made by Mr. Amos and Second by Ms. Bryant to approve Action Item #2. Action Item #2 was approved by a 2-0 vote.

A motion was made by Mr. Amos and Second by Ms. Bryant to approve Action Item #3. Action Item #3 was approved by a 2-0 vote.

OTHER BUSINESS:

Ms. Bryant stated there was no Other Business on this month calendar.

REPORTABLES:

There were three items that were approved by staff under the authority delegated by the Board.

NEXT MEETING:

The next meeting Public Works Board meeting is scheduled for **March 15, 2010, at 10:00 am, at the State Capitol, in Room 113.**

There were no comments or questions from the public.

The meeting was concluded at 10:16am.